

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

Attachment 4.19-B
Item 2.a., Page 1

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION

42 CFR
447.321

Medical and Remedial
Care and Services
Item 2.a.

OUTPATIENT HOSPITAL SERVICES

Clinical diagnostic laboratory services are reimbursed at the lower of:

- 1) billed charges;
- 2) Eighty five percent (85%) of the state maximum amount which was in effect as of July 6, 1995; or
- 3) Medicare Fee Schedule amount.

Outpatient surgeries are reimbursed at the lower of:

- 1) Billed charges; or
- 2) the State maximum amount (for those procedures included on the State fee schedule).

Rehabilitation services (physical, occupational, and speech therapy) are reimbursed at 110% of the rate paid to rehabilitation clinics for equivalent services.

Outpatient hospital services other than clinical diagnostic laboratory, outpatient surgeries, and rehabilitation services are paid as follows:

In-state hospital outpatient services are reimbursed at an interim rate of 60% of billed charges. Final reimbursement is adjusted to 83% of allowable cost through the cost report settlement process.

Out-of-state hospital outpatient services are reimbursed at 50% of billed charges.

STATE <u>Louisiana</u>	A
DATE REC'D <u>03-27-00</u>	
DATE APPV'D <u>06-20-00</u>	
DATE EFF <u>02-01-00</u>	
HCFA 179 <u>00-21</u>	

TN# 00-21 Approval Date 06-20-00 Effective Date 02-01-00
Supersedes
TN# 9638

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
 MEDICAL ASSISTANCE PROGRAM
 STATE OF LOUISIANA

ATTACHMENT 4.19-B
 Item 2.b., Page 1

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	Medical and Remedial	<u>RURAL HEALTH CLINIC SERVICES AND OTHER</u>
42 CFR	Care and Services	<u>AMBULATORY SERVICES PROVIDED BY A RURAL</u>
447.371	Item 2.b.	<u>HEALTH CLINIC</u>

I. Method of Payment

A. Provider-based Rural Health Clinics (those which are an integral part of a hospital, skilled nursing facility, or home health agency that is participating in Medicare and is licensed, governed, and supervised with other departments of the facility) are reimbursed in accordance with 42 CFR 447.371(a).

B. Free-standing Rural Health Clinics (those that are not provider-based) are reimbursed as follows:

1. Rural health clinic services are reimbursed at an interim rate using the fee for the procedure code on file and cost settled to the Medicare rate per visit (encounter).
2. Ambulatory services furnished by a rural health clinic are reimbursed in accordance with the policy and procedure as described in this Plan for the identified item of service.

II. Standards for Payment

To be eligible for reimbursement, a rural health clinic must be located in a rural area and located in a DHEW designated health shortage area (an area having either a shortage of personal health services or a shortage of primary medical care manpower). It must be certified for participation in Medicare, Title XVIII and, therefore, deemed to meet the standards for certification under Louisiana's Medicaid program.

STATE <u>Louisiana</u>	A
DATE REC'D <u>05-15-96</u>	
DATE APP'VD <u>06-05-96</u>	
DATE EFF <u>01-01-96</u>	
HCFA 179 <u>96-05</u>	

TN# 96-05 Approval Date

6/5/96

Effective Date

1/1/96

Supersedes

TN#

95-37

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

Attachment 4.19-B
Item 2.c., Page 1

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1905(A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION Medical and Remedial
42 CFR Care and Services
447.201 Item 2.c.

STATE <u>Louisiana</u>	A
DATE REC'D <u>07-30-96</u>	
DATE APP'D <u>11-05-96</u>	
DATE EFF <u>03-01-96</u>	
HCFA 179 <u>96-22</u>	

I. Federally Qualified Health Center Services

A. Reimbursement Methodology

1. Federally Qualified Health Center Services are cost settled at 100% of reasonable cost for medically necessary services subject to the following conditions, not to exceed the Medicare Payment Limit for FQHC core services.

2. Interim payments are made as follows:

Core services are reimbursed at a rate based upon allowable cost not to exceed the Medicare Payment Limit for FQHC. A core service is defined as a face-to-face encounter with a physician, physician assistant, nurse practitioner, clinical psychologist, or clinical social worker.

Other ambulatory services are reimbursed at the same rate paid for that service to other providers.

3. FQHCs shall submit cost reports and other data as required to verify reasonable costs on an annual basis in accordance with Federal and State regulations, guidelines, and policies. Cost reporting periods shall be based upon the FQHC's fiscal year.
4. FQHC allowable costs shall be determined through application of:

Medicare cost reimbursement principles at 42 CFR Part 413; and

TN# 96-22 Approval Date 11/05/96

Effective Date 07/01/96

Supersedes

TN# 90-17

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION MEDICAL AND REMEDIAL
P. L. CARE AND SERVICES
101-239 Item 2.c.(cont'd.)
Sect.
6404

Unallowable costs as specified below.

5. Unallowable costs are expenses which are incurred by an FQHC which are not directly or indirectly related to the provision of covered services according to applicable laws, rules, and standards. Unallowable costs shall not be used in calculating allowable cost or interim encounter rate. Unallowable costs shall include, but not be limited to the following:

Compensation in the form of salaries, benefits, or any form of compensation given to individuals who are not directly or indirectly related to the provision of covered services.

Personal expenses not directly related to the provision of covered medical services.

Management fees or indirect costs that are not derived from the actual cost of materials, supplies, or services necessary for the delivery of covered services, unless the operational need and cost effectiveness can be demonstrated and approved by Medicaid of Louisiana.

Advertising expenses other than those for employee or contract labor recruitment; those mandated by statute or regulation; or telephone "Yellow Pages".

STATE <u>Louisiana</u>	A
DATE RECD <u>JUL 02 1990</u>	
DATE APPV'D <u>MAY 20 1992</u>	
DATE EFF <u>APR 01 1990</u>	
HCFA 179 <u>90-17</u>	

TN# 90-17 Approval Date MAY 20 1992 Effective Date APR 01 1990
Supersedes
TN# Time-Now Page

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-B
Item 2.c., Page 3

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION MEDICAL AND REMEDIAL
P. L. . CARE AND SERVICES
101-239 Item 2.c.(cont'd.)
Sect.
6404

Business expenses not directly related to the provision of covered services. For example, expenses associated with the sale or purchase of a business or expenses associated with the sale or purchase of investments.

Political contributions or any contribution to an individual, organization, or entity for the purpose of political lobbying.

Depreciation and amortization of unallowable costs, including amounts in excess of those resulting from the straight line depreciation method, capitalized lease expenses, less any maintenance expenses, in excess of the actual lease payment; and goodwill or any excess above the actual value of the physical assets at the time of purchase. Regarding the purchase of a business, the depreciable basis will be the lesser of the historical but not depreciated cost to the previous owner, or the purchase price of the assets. Any depreciation in excess of this amount is unallowable.

STATE	<i>Louisiana</i>	A
DATE REC'D	<i>JUL 02 1990</i>	
DATE APPV'D	<i>MAY 20 1992</i>	
DATE EFF	<i>APR 01 1990</i>	
HCFA 179	<i>90-17</i>	

TN# *90-17* Approval Date *MAY 20 1992* Effective Date *APR 01 1990*
Supersedes
TN# *Time-Now Page*

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-B
Item 2.c., Page 4

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION MEDICAL AND REMEDIAL
P. L. CARE AND SERVICES
101-239 Item 2.c. (cont'd.)
Sect.
6404

Trade discounts and allowances of all types, including returns, allowances, and refunds, received on purchases of goods or services. These are reductions of costs to which they relate and thus, by reference, are unallowable.

Donated facilities, materials, supplies, and services including the values assigned to the services of unpaid workers and volunteers whether directly or indirectly related to covered services, except as permitted in 42 CFR 413.

Dues to all types of political and social organizations, and to professional associations whose functions and purpose are not reasonably related to the development and operation of patient care facilities and programs, or the rendering of patient care services.

Entertainment expenses.

Board of directors fees including travel costs and provision of meals for these directors.

Fines and penalties for violations of regulations, statutes, and ordinances of all types.

STATE <u>Louisiana</u>	A
DATE REC'D <u>JUL 02 1990</u>	
DATE APPV'D <u>MAY 20 1992</u>	
DATE EFF <u>APR 01 1990</u>	
HCFA 179 <u>90-17</u>	

TN# 90-17 Approval Date MAY 20 1992 Effective Date APR 01 1990
Supersedes
TN# One-Step Page

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

ATTACHMENT 4.19-B
Item 2.c., Page 5

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION MEDICAL AND REMEDIAL
P. L. CARE AND SERVICES
101-239 Item 2.c.(cont'd.)
Sect.
6404

Fund raising and promotional expenses except those mandated by statutes or regulations.

Interest expenses on loans pertaining to unallowable items, such as investments. Also the interest expense on that portion of interest paid which is reduced or offset by interest income.

Insurance premiums pertaining to items of unallowable cost.

Any accrued expenses that are not a legal obligation of the FQHC or are not clearly enumerated as to dollar amount.

Mileage expense exceeding the current reimbursement rate set by Louisiana's Division of Administration for state employee travel.

Cost for goods or services which are purchased from a related party and which exceed the original cost to the related party.

Out-of-state travel expenses not related to the provision of covered services, except out-of-state travel expenses for training courses which increase the quality of medical care and/or the operating efficiency of the FQHC.

Over-funding contributions to self-insurance funds which do not represent payments based on current liabilities.

STATE <u>Louisiana</u>	A
DATE REC'D <u>JUL 02 1990</u>	
DATE APP'VD <u>MAY 20 1992</u>	
DATE EFF <u>APR 01 1990</u>	
HCFA 179 <u>90-17</u>	

TN#

Supersedes

TN#

Approval Date

MAY 20 1992

Effective Date

APR 01 1990

90-17
None-New Page

STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -- OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT IS INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION

P . L .

101-239

Sect.

6404

MEDICAL AND REMEDIAL

CARE AND SERVICES

Item 2.c.(cont'd.)

B. Standards for Payment

1. The FQHC must meet the Standards for Participation outlined in Attachment 3.1-A, Item 2.c.
2. The FQHC provider shall maintain an acceptable fiscal record keeping system that will enable the services provided by a FQHC to be readily distinguished from each other type of service which that facility may provide.
3. The FQHC provider shall retain all records as are necessary to disclose fully the extent of services provided to recipients; to furnish information regarding such records and regarding any payments claimed for providing such services as Medicaid of Louisiana, the Secretary, or the Medicaid Fraud Control Unit may request, for three years from date of service.
4. The FQHC provider shall abide by and adhere to all federal and state regulations, guidelines, policies, and manuals, etc.

STATE <u>Louisiana</u>	A
DATE REC'D <u>JUL 02 1990</u>	
DATE APPV'D <u>MAY 20 1992</u>	
DATE EFF <u>APR 01 1990</u>	
HCFA 179 <u>90-17</u>	

TN#

Supersedes

TN#

Approval Date

MAY 20 1992

Effective Date

APR 01 1990

90-17
More-Now Page

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

ATTACHMENT 4.19-B
Item 3., Page 1

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

<u>CITATION</u>	<u>Medical and Remedial</u>	<u>Other Laboratory and X-ray Services in a Setting Other Than a</u>
42 CFR	Care and Services	<u>Hospital Outpatient Department or Clinic Are Reimbursed as</u>
450.32	Item 3.	<u>Follows:</u>

I. Method of Payment

A. Payment for laboratory services is made on the basis of the lower of:

1. billed charges;
2. Eighty-five (85%) per cent of the State maximum amount which was in effect as of July 6, 1995; or
3. Medicare (Title XVIII) fee schedule amount.

B. Payment for mobile X-ray services is made on the basis of reasonable charges.

II. Standards for Payment

Payment as indicated above will be made for professional and technical services provided by an independent laboratory (other than a hospital outpatient department or clinic) which is qualified to participate under Title XVIII of the Social Security Act, or is currently determined to meet the requirements for such participation.

For obstetrical and pediatric laboratory codes and applicable rates, see Item 5.

STATE <u>Louisiana</u>	A
DATE REC'D <u>OCT 03 1995</u>	
DATE APPL'D <u>DEC 06 1995</u>	
DATE EFF. <u>JUL 07 1995</u>	
HCFA 179 <u>95-45</u>	

TN# <u>95-45</u>	Approval Date <u>DEC 06 1995</u>	Effective Date <u>JUL 07 1995</u>
Supersedes		
TN# <u>90-09</u>		

This is the entire page - super in 11/98
SUPERSEDED BY
Item 4.b. Page 1

AYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1902(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

CITATION Medical and Remedial Care and Services Item 4.b.

42 CFR

447.201 and Early and Periodic Screening and Diagnosis of Individuals under 21 Years of Age and Treatment
447.304 of Conditions Found Is Reimbursed as follows:

I. Basic EPSDT Services

- A. **Screening (Vision, Hearing, Dental, Medical) - Full and Interperiodic Screening** is reimbursed according to a schedule of fees available in the EPSDT Provider Manual.
- B. **Dental Services** under the EPSDT program are reimbursed at the lower of:
 - 1. the dentist's billed charges, or
 - 2. the State's established schedule of fees.
- C. **Eyeglass Services** are reimbursed subject to upper limits for payment of eyeglasses (including cataract eyeglasses and contact lenses) described in the Professional Services Provider Manual.
- D. **Hearing Aid Services** are reimbursed at the lower of:
 - 1. the provider's actual charge for the services, or
 - 2. the allowable fee for similar services covered under the State Plan.
- E. **Rehabilitation Services** are reimbursed at the maximum allowable fee for occupational, physical, and speech therapy services according to the State's established schedule of fees available in Provider Updates.

STATE <u>Louisiana</u>	
DATE REC'D <u>3/31/98</u>	
DATE APPV'D <u>6/23/98</u>	
DATE EFF <u>6/23/98</u>	<u>3/1/98</u>
HCFA 179 <u>98-009</u>	<u>9/10/98</u>

Approved by Shirley [unclear]

IN# 98-09 Approval Date 6/23/98 Effective Date 6/23/98
Supersedes
TN# 96-27 3/1/98